



## CITY OF DURHAM | NORTH CAROLINA

**Date:** May 16, 2016

**To:** Thomas J. Bonfield, City Manager  
**Through:** Keith Chadwell, Deputy City Manager  
**From:** Grace Dzidzienyo, Interim Director, Office of Economic and Workforce Development  
**Subject:** Contract with Educational Data System Incorporated to operate Durham's NCWorks Career Center and to provide Workforce Innovation and Opportunity Act (WIOA) Adult and Dislocated Worker services from July 1, 2016 – June 30, 2017.

### Executive Summary

This memorandum outlines a recommendation to enter into contract with Educational Data Systems Incorporated (EDSI) from July 1, 2016 to June 30, 2017, in the amount of \$655,000 to provide Workforce Innovation Opportunity Act (WIOA) Adult and Dislocated Worker services and to act as the Operator of the NCWorks Career Center. Approval of this contract will allow uninterrupted services to be provided to WIOA participants beyond the existing contractual completion date (set to expire on June 30, 2016). The total contract amount will not exceed \$655,000.

### Recommendation

The Office of Economic and Workforce Development (OEWD) recommends that City Council authorize the City Manager to execute a contract with Educational Data Systems Incorporated to provide uninterrupted Adult and Dislocated Worker services and to act as the new NCWorks Career Center Operator from July 1, 2016 through June 30, 2017 for a contract amount not to exceed \$655,000.

### Background

As a result of the Request for Proposals (RFP) that closed on February 26, 2016, the local area only received one response for the operation of Durham's NCWorks Career Center and the delivery of Adult and Dislocated Worker services in the region.

### Service Delivery and Performance

EDSI is recommended for award of the current contract to provide employment and training services for WIOA eligible Adults and Dislocated Workers that included the following:

- . Case Management
- . Determination of eligibility to receive assistance under the Title I-B of the Workforce Innovation and Opportunity Act.
- . Outreach, intake, and orientation to the information and other services available through the one-stop delivery system.
- . Initial assessment of skill levels, aptitudes, abilities and need for supportive services
- . Labor market information
- . Intensive Services as defined by WIOA
- . Referrals to other intensive, supportive and WIOA training services, as needed;

- . Job referral and placement assistance; and
- . Follow-up services after exit for participants in employment in need of additional assistance to retain employment.

EDSI currently provides Adult and Dislocated Worker services in the NCWorks Career Center. The following is a prefatory look at Program Year 2015's performance thus far:

Measure	*Performance for PY 2015	Goal
Adult Entered Employment	67.5%	78%
Adult Employment Retention	86%	87.5%
Adult Average Earnings	**-----	\$13,600
Dislocated Worker Entered Employment	81%	82.10%
Dislocated Worker Employment Retention	90%	91%
Dislocated Worker Average Earnings	**-----	\$16,500

*\*The performance reflected is preliminary and comes from numbers reflected in NCWorks Online.*

*\*\* This data is not currently available for reporting at this time.*

### Issues and Analysis

The North Carolina Department of Commerce's Division of Workforce Solutions Policy Statement Number 22-2015 states the following: "**Failed Competitive Procurement** - The WDB may use **noncompetitive procurement** if it has conducted a competitive procurement process, and only one or no competitive bid was received. When the WDB has received one competitive bid, every effort must be made to negotiate desired training/services. However, if acceptable services cannot be negotiated or no competitive bids were received, sole source may be used to obtain the training/service".

EDSI was the only company to submit a proposal to operate the Career Center and to provide Adult and Dislocated Worker services. Every effort was made to successfully negotiate training services and a budget with EDSI. The approval of EDSI's contract for one year will allow some stability for the Career Center as they have been providing WIOA services since 2014 and have played a role in the day-to-day operations in the Career Center.

### Funding Considerations

- . The current contract with Educational Data Systems Incorporated (EDSI) is for \$621,000.00 and expires June 30, 2016.
- . In May 2016, the NCWorks Career Center Subcommittee approved entering into negotiations with EDSI for a new contract to start on July 1, 2016 and end on June 30, 2017, and the full Board approved this on May 26, 2016.
- . A new contract with EDSI will provide uninterrupted services to WIOA eligible applicants currently enrolled in the WIOA program.

### Alternatives

The City Council could elect not to enter into and/or renew a contract with Educational Data Systems Incorporated leaving the City without a provider of the services outlined in the background section for the Adult and Dislocated Worker program and forcing the City to advertise for proposals or to directly manage the program until a new provider is identified. If another provider is not identified through the RFP process, this would require the Office of Economic and Workforce Development to directly manage the program, which is inconsistent

with the language in the federal Workforce Innovation and Opportunity Act that states that Workforce Innovation and Opportunity Act services should be provided under contract or voucher.

The City Council could also elect to reduce the amount of the proposed contract extension with EDSI, which could result in fewer services provided to WIOA eligible applicants and/or less participants being served under this contract from July 1, 2016 – June 30, 2017.

**Financial Impact**

EDSI would be approved for payments of up to \$655,000. Funds for this contract will have no impact on the City of Durham General Fund. Funds for this contract are paid with WIA Adult and Dislocated Worker dollars that are received by OEWD from the United States Department of Labor through the North Carolina Department of Commerce *Division of Workforce Solutions* to the City and the DWDB.

**SDBE Summary**

An SDBE summary is inapplicable because no project-specific goals have been set and no SDBE's are involved in this item.

**Attachments**

Contract with Educational Data Systems Incorporated to operate Durham's NCWorks Career Center and to provide WIOA Adult and Dislocated Worker Services containing 37 pages.